

the full Congress, could lead to higher taxes for many of our military families.

This is not fair and this is not right.

At a time when many of our military personnel are overseas and when our national guard reserves have been called up at historic rates, we should be providing for our men and women in uniform. We should not be taking away from them and placing them at a greater financial disadvantage.

I hope the Senate will be heard loudly and clearly that this is not the right thing to do. Our troops and their families deserve no less.

I urge my Senate colleagues to reject any cuts to the EITC.

I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, I thank the Senator from Colorado. In fact, I rise to discuss an individual who the Senator from Colorado and I met when we were part of a bipartisan delegation led by the Democratic leader, HARRY REID, a couple of weeks ago. On that trip, we visited a number of countries—Kuwait, Iraq, Israel, France, Georgia, Ukraine, and the Palestinian territory. We saw a number of emerging democracies. It made me think of what our own country might have been like more than 200 years ago. We visited with two men who were named Prime Minister and Speaker of the Iraqi Parliament a week later. In Georgia, we saw the young government. Many of them were educated here in the United States as students. When we went to Ukraine, we met Mr. Yushenko and some of the students who had been part of this revolution. What we saw was very impressive, as were those people we were introduced to.

But from my way of thinking, there was no one more impressive than the Finance Minister of the Palestinian Authority, Salam Fayyad, who instituted a number of reforms to fight corruption and bring transparency to the finances of that Authority.

This remarkable individual was born Palestinian, and his family fled the West Bank for Jordan in 1968. He studied at the American University in Beirut. He later received a Ph.D. in economics from the University of Texas at Austin. He worked for the Federal Reserve in St. Louis and the International Monetary Fund in Washington, DC. He became the IMF representative to the Palestinian Authority and moved to Jerusalem in 1995. Then, in 2002, he was named Finance Minister of the Palestinian Authority.

What is remarkable is that all of us either know or suspect that when Arafat was in power, there was gross corruption with the moneys that came into Palestine. Mr. Fayyad has done the following things: He centralized control of the Palestinian Authority's finances. Previously, agencies had collected the money and kept it. That meant, for example, that education was

poorly funded since it collected little money. Mr. Fayyad forced all the incoming funds to be put into the general treasury and disbursed by the Finance Minister.

The next thing he did was direct deposits for Palestinian security forces. Previously, money was given in plastic bags to commanders for them to distribute. Obviously, this led to what might generously be called a lot of mismanagement of those funds. Now soldiers are much happier because they get their pay on time, and the government is sure the money is going where it should. The soldiers and the government both know the money is not going to somebody who didn't earn it.

Public budgeting: He issued the first publicly detailed budget for the Authority, which totaled about \$1.28 billion. The Ministry now issues public monthly reports of the government's financial status.

Eliminating graft: Due to his efforts, revenue of the Palestinian Authority is up from \$45 million to \$75 million, largely because money that was skimmed off the top in the past is going into the treasury where it belongs. I am not just saying this today because I want to give a pat on the back to Mr. Fayyad, who, in taking these steps, has shown a great deal of courage. I am sure there are a good number of people in the Palestinian territory who were skimming money off the top before who are not going to be happy with him now. I am bringing this up today because it has to do with a vote we are about to take here in the Senate.

The bill before us, the supplemental appropriations bill, provides \$200 million of the President's request for aid to the Palestinian territories. There is another \$150 million in the normal budgeting process. Unlike the House version of this supplemental appropriations bill, our version—the Senate version as it is coming to us—preserves the President's waiver authority that would allow him to designate a portion of those funds as he sees fit by the use of the Palestinian Authority. I believe that policy—the Senate policy—is the right policy. In other words, our policy would permit our President, President Bush, to decide that Mr. Fayyad and the government of the Palestinian Authority could properly spend this money. Some people are saying they stole money over there before. Yes they did. Yasser Arafat is dead and buried. It is time to make a new start.

The Finance Minister has made great strides to ensure that funds are publicly accountable. We will be able to keep track of where our taxpayer money goes. The Palestinian Authority needs some money. There is no poorer part of the world than the Gaza Strip. Someone has to provide security in the Gaza Strip. We look to the Palestinian Authority to do that if the Israelis pull out. Someone has to provide a social services safety net for these poor people so they are not tempted to join

with the terrorists. We look to the Palestinian Authority to do that.

Why in the world would we keep our President from making the decision that would give the money to the Palestinian Authority, which is the group we are counting on to provide security and to provide the social safety net?

Nongovernment agriculture organizations can provide valuable help in support of what the Palestinian Authority is doing. If we are going to do business with the Palestinian Authority, and are going to expect them to be accountable for keeping things safe and providing a basic level of social services so people are able to eat, we should deal directly with them. At the very least we should give the President of the United States the authority, as the Senate bill does, to deal directly with the Palestinian Authority.

I am happy with what our Committee on Appropriations has done. I disagree with what the House of Representatives has done, and I suppose the matter will go to conference. I hope in the conference the Senators will insist on the Senate provision, and I hope our House Members will see the wisdom of giving our President the discretion to give the money to the Government that we are going to hold accountable.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ALEXANDER). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. CLINTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. CLINTON. Mr. President, my colleague from South Carolina, Senator LINDSEY GRAHAM, and I come to the floor this afternoon to speak about the necessity of expanding TRICARE for National Guard members and reservists. I especially thank Senator GRAHAM for his hard work and advocacy on behalf of this legislation.

Almost 2 years ago exactly, in the spring of 2003, Senator GRAHAM and I joined at the Reserve Officers Association building to announce the first version of this legislation. In the intervening years, we have made a great deal of progress in expanding access to TRICARE, the military health program. But we agree there is still a long way to go.

We recently discovered our proposed legislation to ensure that National Guard and Reserve members have access to the military health program known as TRICARE does not have a cost this year, so it was not appropriate for us to attempt to attach this to the supplemental appropriations bill that is currently on the floor. But we are extremely hopeful we will be able to include legislation in this year's Department of Defense authorization bill.

Because Senator GRAHAM and I serve on the Armed Services Committee, we have heard firsthand, as have many of my colleagues, about the extraordinary